

PUBLIC BROADCASTING AUTHORIZATION

AUGUST 3, 1972.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. STAGGERS, from the Committee on Interstate and Foreign Commerce, submitted the following

REPORT

[To accompany S. 3824]

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (S. 3824) to authorize appropriations for the fiscal year 1973 for the Corporation for Public Broadcasting and for making grants for construction of noncommercial educational television or radio broadcasting facilities, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert the following:

That (a) section 396(k) (1) of the Communications Act of 1934 is amended to read as follows:

“(k) (1) There is authorized to be appropriated for expenses of the Corporation for the fiscal year ending June 30, 1973, the sum of \$40,000,000.”

(b) Section 396(k) (2) of such Act is amended by striking out “1972” and inserting in lieu thereof “1973”.

SEC. 2. Section 391 of the Communications Act of 1934 is amended to read as follows:

“Authorization of Appropriations

“SEC. 391. There are authorized to be appropriated for the fiscal year ending June 30, 1973, such sums, not to exceed \$25,000,000, as may be necessary to carry out the purposes of section 390. Sums appropriated under this section shall remain available for payment of grants for projects for which applications, approved under section 392, have been submitted under such section prior to July 1, 1974.”

COMMITTEE AMENDMENT

The first section of the House committee amendment, unlike the bill as passed by the Senate, follows the format of existing law. It authorizes the appropriation of \$45 million for the Corporation for Public Broadcasting for fiscal year 1973, but requires that \$5 million of that amount must be matched by contributions to the Corporation from nonfederal sources.

Section 2 of the House committee amendment makes a technical correction in the Senate passed bill so as to authorize the appropriation of no more than \$25 million for fiscal year 1973 for grants for non-commercial educational broadcasting facilities.

BACKGROUND

In 1962, the Congress enacted the Educational Television Facilities Act of 1962 (Public Law 87-447) to provide matching grants to establish and expand noncommercial educational television broadcasting stations. The Act authorized the appropriation of \$32 million for 5 fiscal years, beginning with fiscal year 1963.

In large measure because of the success of the program established by the Educational Television Facilities Act of 1962, the Congress enacted the Public Broadcasting Act of 1967, which expanded the educational television facilities grant program to include educational radio facilities and extended that program for 3 more years. In 1969, the program was extended another three years, through fiscal year 1973 by Public Law 91-97.

In addition, the Public Broadcasting Act of 1967, in response to the recommendation of the 1967 Carnegie Commission report on public broadcasting, established a private, independent nonprofit corporation to assist in the development of public broadcasting in the United States—the Corporation for Public Broadcasting.

On April 11, 1972, your committee reported to the House, H.R., 13918, a bill to provide for improved financing for the Corporation for Public Broadcasting, and for other purposes. As reported, H.R. 13918—

Authorized the Corporation for Public Broadcasting to promote the utilization and development of telecommunications facilities for the production and distribution of educational radio and television programs.

Required that at least 30 percent of the funds appropriated to CPB in each fiscal year be distributed to noncommercial educational broadcasting stations for use (in their discretion) in activities related to their local broadcast operation.

Authorized an appropriation to CPB of not to exceed \$65 million for fiscal year 1973 and not to exceed \$90 million for fiscal year 1974.

Provided for inclusion on the 15-member Board of Directors of CPB of 5 members who are chief executive staff officers of non-commercial educational broadcasting stations. All members of the Board of Directors are, and would continue to have been, appointed by the President, by and with the advice and consent of the Senate.

Increased from \$15 million to \$25 million the authorization for fiscal year 1973 for grants for acquisition and installation of non-commercial educational broadcasting facilities.

Limited the compensation which could have been paid to officers or employees of CPB to that prescribed for level I of the Executive Schedule (at present \$64,000 per annum). (Sec. 396(e) (3); sec. 5).

On June 1, 1972, the House by a roll call vote of 256 to 69 passed H.R. 13918 after having adopted an amendment on salaries of officers and employees of CPB and an amendment with respect to voter polls and public opinion surveys.

The Senate passed H.R. 13918 without amendment by a vote of 82 to 1 on June 22, 1972.

Eight days later (June 30, 1972), the President vetoed H.R. 13918.¹ On July 21st, the fifth day after the end of the Congressional Fourth of July recess which had extended from June 30, to July 17, S. 3824 was introduced in the Senate and passed by the Senate. Your committee has reported S. 3824, which it regards as a barebones solution to problem of funding the Corporation, because fiscal year 1973 has begun without an authorization for that year having become law.

CORPORATION FOR PUBLIC BROADCASTING

The Corporation for Public Broadcasting is a private, independent, nonprofit corporation subject to the terms of the District of Columbia Non-Profit Corporation Act and title II of the Public Broadcasting Act of 1967 under which it was established.

CPB operates under a bipartisan board of directors consisting of 15 members. Members of the board are appointed by the President by and with the advice and consent of the Senate for a term of 6 years.

Under the Public Broadcasting Act of 1967 the Corporation for Public Broadcasting has four principal purposes. They are to (1) assist in the development of programs of high quality for presentation over public television and radio stations, (2) assist in the establishment and development of interconnection for such stations, (3) assist in the establishment and development of one or more systems of public broadcasting stations, and (4) act so as to assure the maximum freedom of noncommercial educational broadcasting systems and stations from interference with or control of program content or other activities.

Your committee believes that the Corporation has effectively carried out its mandate. However, the committee believes that it must point out that even though an authorization of \$45 million for the Corporation for fiscal year 1973 represents a \$10 million increase over the authorization and appropriation to the Corporation for fiscal year 1972, it will result in few, if any, additional national program services. This is because the Corporation has already committed itself to the policy embodied in H.R. 13918 of distributing at least 30 percent of the funds available to it to local noncommercial educational broadcasting stations to be used by them to defray their operating expenses. This is an increase of about 13 percent over the percentage of funds so distributed in fiscal year 1972. There will also be an increase during fiscal year 1973 of about 46 in the number of public broadcasting stations for which the CPB provides services. In addition, the line charges paid for the interconnection of public broadcasting stations will increase about \$1 million over the level paid for those charges during fiscal year 1973.

¹ The text of the President's veto message is set forth below.

BROADCASTING FACILITIES GRANT PROGRAM

Under the public broadcasting facilities grant program the Secretary of Health, Education, and Welfare (HEW) makes grants to eligible applicants of up to 75 percent of the cost of acquiring and installing specified radio and television broadcasting apparatus. Grant funds cannot be used for the purchase, construction, or repair of buildings or the acquisition of land.

There are five classes of eligible applicants for grants under the program: (1) State or local public school agencies; (2) State public broadcasting agencies and commissions; (3) tax-supported colleges and universities; (4) nonprofit community corporations and associations organized primarily to engage in public broadcasting; and (5) municipalities operating public broadcasting stations. Any grant must (in addition to being used for the acquisition and installation of broadcasting apparatus) be used in furtherance of public broadcasting, which requires that the grantee have or be in the process of obtaining a license from the Federal Communications Commission (FCC) to engage in public broadcasting.

Of the funds appropriated for this program in any fiscal year, not more than 81½ percent may be granted for projects in any one State. In determining which applications for public broadcasting facilities grants are to be approved, the Secretary of HEW is governed by regulations intended to achieve (1) prompt and effective use of all public television channels remaining available; (2) equitable geographic distribution of public broadcasting facilities throughout the several States; and (3) provision of public broadcasting facilities adaptable to the broadest educational uses which will serve the greatest number of people in as many areas as possible.

In 1962, when the educational television broadcasting facilities grant program was enacted, there were 76 educational television stations on the air serving areas occupied by slightly more than 50 percent of the population of the United States. Today there are 220 such stations on the air serving areas occupied by 75 percent of the population. These stations are located in every State, except Montana and Wyoming, and also in the District of Columbia, Puerto Rico, Guam and American Samoa. Not only have the number of stations increased but also viewers who watch them. In the three years 1969, 1970, and 1971 there has been an increase in weekly viewers of public television broadcasting stations from 30 million to 38 million to 50 million—increases of almost 30 percent per year.

In addition to public television stations, the broadcasting facilities grant program also applies to noncommercial radio broadcasting stations of which there are at present about 500. In the three years that such radio stations have been eligible for grants under the program, 23 grants have been made for new stations and 28 for the expansion of existing radio stations.

The effectiveness of the program is shown by the fact that, for every dollar granted by the Federal Government for noncommercial educational broadcasting facilities, \$11 in State, local, and private funds has been expended.

One of the major benefits which your Committee believes results from the educational broadcasting facilities grant program is the increased instructional television (ITV) programming which is broadcast in the United States. In fiscal year 1970, there were 201,000 hours of ITV of a total of 587,000 hours of public television and in fiscal year 1971 there were 222,000 hours of ITV of a total of 659,000 hours of public television. Your committee is gratified by these statistics and hopes that this programming will make available in the cause of education the artistry and techniques which have been developed and so effectively applied by the broadcast industry.

In connection with instructional television programming, it is interesting to note that preliminary statistics developed by the National Center for Educational Statistics of the United States Office of Education show that—

Three out of four of the 81,000 public schools in the United States have television receivers;

Telecasts from public television stations are used by 53 percent of all schools, or more than 70 percent of the schools that have television sets;

57 percent of the Nation's public elementary and secondary school children are in schools which use educational telecasts; and

Use of educational telecasts is highest (90 percent) in large city elementary schools.

Notwithstanding the success of the broadcasting facilities grant program the authorizations and appropriations have failed to meet established needs. For fiscal year 1972, the Congress authorized \$15 million and appropriated \$13 million. Applications for projects representing a cost of about \$20 million could not be funded with the appropriations for fiscal year 1972.

In addition to those projects for which applications have been submitted, but which could not be funded from the appropriations for fiscal year 1972, your committee expects that additional applications for noncommercial broadcasting facilities grants totaling as much as \$20 million will be received by the Department of Health, Education, and Welfare during fiscal year 1973. Therefore the bill herein reported by your committee increases the authorization for this program for fiscal year 1973 from \$15 million to \$25 million. In light of all the facts, your committee believes this increase to be prudent and necessary.

COST

Enactment of S. 3824, as reported, would authorize the appropriation of \$45 million for fiscal year 1973 for the Corporation for Public Broadcasting. It would also authorize \$25 million for fiscal year 1973 for the educational broadcasting facilities grant program. However, \$15 million has already been authorized for that program for fiscal year 1973 so the legislation herein reported only increases that amount by \$10 million.

CONCLUSION

S. 3824 was reported to the House by a unanimous voice vote of your committee. The committee believes that enactment of the legis-

lation is necessary in order to provide funding for the CPB and an adequate noncommercial educational broadcasting facilities grant program for fiscal year 1973.

VETO MESSAGE ON H.R. 13918

To the House of Representatives:

I find it necessary to return without my approval H.R. 13918 which is intended to provide increased financing for the Corporation for Public Broadcasting and to modify the Public Broadcasting Act of 1967 by making various changes in the structure of the non-commercial, educational broadcasting system.

Public broadcasting can and does make important contributions to our Nation's life by presenting educational and cultural programs of diversity and excellence. Programs such as "Sesame Street" and "The Electric Company" already have begun to repay the far-sighted decision the Nation made in the 1950s when channels were reserved for educational purposes. Public broadcasting deserves to be continued, and to be strengthened.

The legislation before me, however, offers a poor approach to public broadcast financing. It ignores some serious questions which must be resolved before any long-range public broadcasting financing can be soundly devised, and before the statutory framework for public broadcasting is changed.

There are many fundamental disagreements concerning the directions which public broadcasting has taken and should pursue in the future. Perhaps the most important one is the serious and widespread concern—expressed in Congress and within public broadcasting itself—that an organization, originally intended only to serve the local stations, is becoming instead the center of power and the focal point of control for the entire public broadcasting system.

The Public Broadcasting Act of 1967 made localism a primary means of achieving the goals of the educational broadcasting system. Localism places the principal public interest responsibility on the individual educational radio and television stations, licensed to serve the needs and interest of their own communities. By not placing adequate emphasis on localism, H.R. 13918 threatens to erode substantially public broadcasting's impressive potential for promoting innovative and diverse cultural and educational programming.

The public and legislative debate regarding passage of H.R. 13918 has convinced me that the problems posed by Government financing of a public broadcast system are much greater than originally thought. They cannot be resolved until the structure of public broadcasting has been more firmly established, and we have a more extensive record of experience on which to evaluate its role in our national life.

This Administration has demonstrated its dedication to the principle of public broadcasting by increasing appropriations to the Corporation sevenfold in the past three years, from \$5 million in FY 69 to \$35 million in FY 72. On top of this, I have requested an additional 30 percent increase for next year to \$45 million. The funding proposed

in H.R. 13918 which almost doubles next year's appropriation, and more than doubles the following year's appropriation over FY 1972, is unwarranted in light of the serious questions yet unanswered by our brief experience with public broadcasting.

I urge the continuation of carefully measured annual funding for the Corporation, under the existing statutory framework, subject to regular budgetary oversight and review. Specifically, I ask the Congress to follow my budget recommendation by enacting a one-year extension of the Corporation's authorization and providing it \$45 million. Since interim funds for the Corporation are included in a continuing resolution currently before the Congress, there should be no interruption of the Corporation's activities.

RICHARD NIXON.

THE WHITE HOUSE, *June 30, 1972.*

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman) :

COMMUNICATIONS ACT OF 1934

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TITLE III—PROVISIONS RELATING TO RADIO

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PART IV—GRANTS FOR NONCOMMERCIAL EDUCATIONAL BROADCASTING FACILITIES; CORPORATION FOR PUBLIC BROADCASTING

SUBPART A—GRANTS FOR FACILITIES

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AUTHORIZATION OF APPROPRIATIONS

SEC. 391. There are authorized to be appropriated for the fiscal year ending June 30, [1963, and each of the four succeeding fiscal years such sums, not exceeding \$32,000,000 in the aggregate,] *1973, such sums, not to exceed \$25,000,000*, as may be necessary to carry out the purposes of section 390. [There are also authorized to be appropriated for carrying out the purposes of such section, \$10,500,000 for the fiscal year ending June 30, 1968, \$12,500,000 for the fiscal year ending June 30, 1969, and \$15,000,000 for the fiscal year ending June 30, 1970. There are also authorized to be appropriated for the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, \$15,000,000 per fiscal year.] Sums appropriated [pursuant to] *under* this section shall remain available for payment of grants for projects

for which applications, approved under section 392, have been submitted under such section prior to July 1, 1974.

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SUBPART B—CORPORATION FOR PUBLIC BROADCASTING

CONGRESSIONAL DECLARATION OF POLICY

SEC. 396. (a) * * *

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FINANCING

[(k) (1) There are authorized to be appropriated for expenses of the Corporation for the fiscal year ending June 30, 1969, the sum of \$9,000,000; for the fiscal year ending June 30, 1970, the sum of \$20,000,000; and for each of the two succeeding fiscal years, the sum of \$30,000,000.]

(k) (1) There is authorized to be appropriated for expenses of the Corporation for the fiscal year ending June 30, 1973, the sum of \$40,000,000.

(2) In addition to the sums authorized to be appropriated by paragraph (1) of this subsection, there are authorized to be appropriated for payment to the Corporation for each fiscal year during the period July 1, 1970, to June 30, [1972] 1973, amounts equal to the amount of total grants, donations, bequests, or other contributions (including money and the fair market value of any property) from non-Federal sources received by the Corporation under section 396(g) (2) (A) of this Act during such fiscal year; except that the amount appropriated pursuant to this paragraph for any fiscal year may not exceed \$5,000,000.

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